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QUESTIONS AND ANSWERS -- 1958 ACREAGE RESERVE FOR
SPRING-PLANTED "BASIC" CROPS

While the Soil Bank Acreage Reserve for 1958 varies in some respects from the 1957 program, its basic objectives are the same -- further reduction of price-depressing surpluses of basic crops.

These questions and answers on the 1958 Acreage Reserve for spring-planted basic crops -- wheat, corn, upland cotton, rice, and tobacco -- are similar to those distributed in August 1957 for the 1958 winter wheat Acreage Reserve program. They are intended to supplement that material (PA - 345 and supplement). They are primarily for the use of Agricultural Stabilization and Conservation (ASC) committeemen, county Extension Agents, and other agricultural workers. Designed to anticipate farmers' questions as to changes in the 1958 program from that of 1957, the material has been held to the highlights of the 1958 program.

GENERAL

1. **Who can put land in the 1958 Acreage Reserve for spring-planted crops?** Any farmer who has an "old farm" acreage allotment for wheat, corn, upland cotton, rice or tobacco may place any part of these "allotment" acres in the programs for those crops. In the case of wheat growers, they must be farmers who have produced spring wheat in one of the last 3 years. The signup period for the 1958 winter wheat Acreage Reserve closed October 4, 1957 and only wheat farmers who can qualify as spring wheat producers will be permitted to place their "allotment" acres in the program during the signup period for eligible spring-planted crops. Farmers who have wheat, corn, upland cotton, rice or tobacco acreage allotments for the first time in 1958 (called a new farm allotment) are *not* eligible to participate.
2. **How does a farmer take part in the program?** By signing an Acreage Reserve agreement for any of the eligible crops with his county ASC Committee. In this agreement, the acreage to be put in the reserve is specifically designated and identified. The agreement runs for one year - through December 31, 1958.
3. **How long will farmers have to sign 1958 Acreage Reserve agreements for spring wheat, corn, upland cotton, rice and tobacco?** Generally, the signup period will open on January 13; it will close March 7, 1958 for all these crops. There may be an earlier opening date in some of the southern cotton and tobacco areas.
4. **What land on a farm is eligible for the 1958 Acreage Reserve for spring-planted basic crops?** Only cropland that could produce in 1958 the eligible crop for which "allotment" acreage is put in the program. The land also must have produced a "Soil Bank base crop" during one of the past 5 years. (See Q7.)

THE FARM SOIL BANK BASE

5. **Does an Acreage Reserve agreement limit the total harvested acreage on a farm?** Yes. The agreement limits the total harvested acreage on a farm as well as the harvested acreage of the

allotment crop put in the reserve. This limitation is carried out by use of a farm Soil Bank base established for each farm taking part in the Acreage Reserve.

6. **What is a farm Soil Bank base?** The Soil Bank base for a farm is the average of the acreage of all "Soil Bank base crops" on the farm for 1956 and 1957. Farm Soil Bank bases were used for farms that put land in the Conservation Reserve in 1956 and 1957. If a Soil Bank base has been established for a farm for the Conservation Reserve that base will be used for the 1958 Acreage Reserve.
7. **What are Soil Bank base crops?** Soil Bank base crops include wheat; corn; cotton; tobacco; rice; peanuts (harvested for nuts or hay, or hogged off); other small grains harvested for grain, hay or ensilage; field and canning peas and beans; oilseed crops harvested for seed, hay, or ensilage; potatoes (including sweetpotatoes); sugar beets and sugar cane; sudan; millet; annual rye grass and similar annual grasses if harvested for seed; mangels and cow beets; all vegetables, melons, and cantaloups; and specialty crops such as mint. The farm garden for home use is not counted as part of the farm Soil Bank base.
8. **When is the farm Soil Bank base determined?** The farm Soil Bank base must be determined for a farm by the county ASC committee before an Acreage Reserve agreement is signed. Farmers who intend to place land in the Acreage Reserve for 1958 spring-planted basic crops must give county ASC offices their acreages of Soil Bank base crops for 1956 and 1957 as soon as possible so the county committee can establish their farm Soil Bank base. Farmers cannot sign Acreage Reserve agreements later than March 7, 1958.
9. **After giving the county ASC office the 1956 and 1957 crop information for his farm will the farmer get a notice of his Soil Bank base?** Yes. After the farm Soil Bank base is established, the farm operator will be notified of the number of acres in his Soil Bank base.
10. **Why is a Soil Bank base being used as a part of the 1958 Acreage Reserve program?** The Soil Bank base is being used to get a reduction in the total acreage of harvested crops produced on farms taking part in the 1958 Acreage Reserve. The reduction is accomplished by a limitation on the total harvested acres on a farm. The limit on harvested acres is called the "permitted acreage."
11. **How is the "permitted acreage" determined?** The permitted acreage is the farm Soil Bank base less the acreage placed in the Acreage Reserve and any acreage on the farm in the Conservation Reserve at the regular rate for the annual payment.

Example: Farm Soil Bank base	92 Acres
Designated for Acreage Reserve	15 A.
Designated for Conservation Reserve	<u>7 A.</u> - 22 Acres
Permitted Acreage	70 Acres

12. **Does a participant in the 1958 Acreage Reserve have two harvested acreage limitations with which to comply?** Yes. There are two limitations. One for "permitted" total acreage that may be harvested on the farm. The other is on the allotment crop or crops for which land is put in the Acreage Reserve. The total harvested acreage of these allotment crops must be reduced to the allotment for a crop less the land put in the Acreage Reserve for the crop.

PAYMENTS

13. **What are National average rates of payment per acre for 1958 Acreage Reserve spring-planted basic crops?** National average per-acre rates are: wheat \$20.88; corn, \$44.46; upland cotton, \$58.95; rice, \$67.79; and tobacco rates vary by types.

14. **How will the rate of payment for the 1958 Acreage Reserve be determined for a farm?** Except for tobacco, which will be handled in the same way as in 1957, rates of payment per acre under the 1958 Acreage Reserve will be determined by the county ASC committee on an average rate in the county for each of the spring-planted "basic" crops produced in the county. Payment rates for individual farms will vary up and down from the county average payment rates, taking into consideration productivity of farms, operations of farmers, and cost savings from not planting the commodity on the reserve acreage.
15. **Suppose a farmer had land in the 1957 Acreage Reserve program, if he puts the same land in the 1958 program will he receive a premium?** Yes, if a farmer puts the identical land, or part of it, in the 1958 program he will receive a premium of 10 percent above his regular 1958 payment for the land redesignated.
16. **When will farmers be paid for participating in the 1958 Acreage Reserve?** Payments will be made just as soon as it can be determined that the farmer has complied with program provisions. This means that performance will have to be determined for the commodity or commodities placed in the program and for the Soil Bank base requirements.
17. **How will 1958 Acreage Reserve payments be made to farmers?** With a negotiable certificate, which can be handled in the same way as a check. Wheat, corn, or rice producers only may exchange the certificates for the grain for which they put acreage in the program, for other specified grains held by the Commodity Credit Corporation, or to pay off certain price-support loans at a discount. Details of these exchanges or loan payments are available for 1958 from county ASC committees.
18. **Is there any limit on the amount of land a farmer may put in the 1958 Acreage Reserve?** No, except, of course, it cannot exceed the farm acreage allotment for the crop or crops put in the program and the farm must have adequate eligible land, and a Soil Bank base large enough to cover the acreage. However, the law now places a limitation of \$3,000 on 1958 Acreage Reserve payments to "any one producer."
19. **How will this \$3,000 limitation be applied?** The \$3,000 limit is applicable to each single farm operation and each operator thereof. It will be applied to each producer with regard to each separate farm he operates rather than as a ceiling on the amount a producer could earn for all the farms in which he has an interest.
20. **Does this mean that \$3,000 is all that can be earned under the 1958 Acreage Reserve on any one farm?** No. The \$3,000 limit applies only to any one producer on any one farm. An owner-operator, a landlord, a cash-rent tenant, a crop-share tenant, or a sharecropper, who shares in the crops grown on the farm are all considered separate producers. So, if the farm acreage allotment is large enough and enough eligible land is available, and enough is put in the Acreage Reserve, the owner-operator or landlord may receive up to \$3,000 and each tenant or sharecropper could earn up to \$3,000.
21. **Does the \$3,000 limit apply to an individual producer even though he has more than one farm and has acreage allotments on two or more farms?** No. If a producer has two or more farming units which he normally operates separately and he can put enough allotment land from each of the separate farms under the Acreage Reserve, he may earn up to \$3,000 on each of these separate farms. Likewise, if he has tenants or sharecroppers on these separately-operated farms and enough allotment land is eligible for the program, each of these tenants or sharecroppers may earn up to the \$3,000 limit.

COMPLIANCE

22. **If a farmer signs an Acreage Reserve agreement and later wants to withdraw; will this be permitted?** Only if the withdrawal is made before the March 7, 1958 deadline for signup. After that date no withdrawals will be permitted.

23. **After a farmer signs an Acreage Reserve agreement, what does he have to do to remain eligible for his payment?** To receive the entire payment specified in the Acreage Reserve agreement the farmer must comply with all provisions of the agreement. Failure to comply with some provisions of the agreement may result in a reduction or forfeiture of the payment. Violation of any one of a limited number of the provisions of the agreement may make the farmer subject to a civil penalty and the loss of the payment.
24. **What will cause a farmer who has an Acreage Reserve agreement to be subject to a civil penalty?** Actions which, if done knowingly and willfully by a farmer, will make him subject to a civil penalty are: (a) Harvesting a crop of any kind from the designated Acreage Reserve; (b) Exceeding the maximum acres for harvest, which is the farm allotment less the number of acres placed in the Acreage Reserve; (c) Grazing the designated Acreage Reserve.
25. **What is the amount of the civil penalty?** The civil penalty is equal to one-half the amount of the total payment which would have been made for compliance with the agreement. The civil penalty is in addition to the loss of the total payment.
26. **Must a farmer comply with all acreage allotments on his farm?** Yes. For instance, if a farmer places part of his wheat allotment in the Acreage Reserve and also has a corn allotment or a cotton allotment he must comply with the corn or cotton allotment to remain eligible for payment.
27. **What can a farmer do with the land he puts in the Acreage Reserve?** He may let it remain idle or he may put it in cover for which he may be eligible for a cost-share payment under the Agricultural Conservation Program. The latter possibility should be checked with his county ASC committee. Noxious weeds must be controlled and the county ASC committee may require that steps be taken to prevent erosion on the Acreage Reserve.

TENANTS AND SHARECROPPERS

28. **Can a farmer generally displace tenants or sharecroppers and put the land they were farming in the Acreage Reserve?** No. The rights of tenants and sharecroppers are protected under the Soil Bank law. Acreage Reserve agreements involving payments to be made to landlords and tenants or sharecroppers must be approved by the county ASC committee as "fair and reasonable." Since tenancy and sharecropping practices vary from locality to locality, questions concerning landlord and tenant or sharecropper relationships in the Soil Bank program should be discussed with the local ASC committee.

SCHEMES AND DEVICES

29. **Suppose a farmer has two farms. Could he participate in the corn Acreage Reserve on one farm and then overplant the corn acreage allotment on the other farm?** His corn acreage on the second farm cannot substantially exceed the normal acreage of corn on that farm. Any such schemes or devices to evade the purpose of the Acreage Reserve program are a violation of the agreement.

WHERE TO SIGN UP

30. **Where do farmers sign up for the 1958 Acreage Reserve?** At the county Agricultural Stabilization and Conservation office in the county in which the farm is located.
31. **Where can a farmer get complete information on how the 1958 Acreage Reserve program will apply to his farm?** At the county Agricultural Stabilization and Conservation Office.